

**ANNUAL REPORT OF THE COUNCIL FOR TRADE IN SERVICES
TO THE GENERAL COUNCIL (2008)**

1. Since its last report to the General Council, the Council for Trade in Services held two formal meetings, on 16 November 2007 and on 16 June 2008.¹ During this period, the Council addressed the following matters:

**I. TRANSITIONAL REVIEW UNDER SECTION 18 OF THE PROTOCOL ON THE
ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA**

2. At its meeting held on 16 November 2007, the Council for Trade in Services conducted and concluded the sixth transitional review of the implementation by China of its WTO commitments, pursuant to section 18 of the Protocol on the Accession of the People's Republic of China (WT/L/432). The Council took note of the report of the Committee on Trade in Financial Services (S/FIN/19), which formed part of the Council's report on this matter to the General Council, contained in document S/C/29.

II. NOTIFICATION FORMAT FOR REGIONAL TRADE AGREEMENTS

3. At its meeting on 16 November 2007, the Council for Trade in Services adopted a new format for the notification of regional trade agreements (RTAs), including those under Article V of the GATS, recommended by the Committee on Regional Trade Agreements (WT/REG/16) at its 44th Session. The new format for RTAs modifies the existing *Guidelines for Notifications under the GATS*, contained in S/L/5, as far as notifications made pursuant to GATS Article V:7 are concerned. The decision by the Council is contained in document S/L/310.

III. NOTIFICATION PURSUANT TO GATS ARTICLE XXI

4. At its meeting on 16 November 2007, the Council for Trade in Services considered a notification from the European Communities made pursuant to GATS Article XXI (Modification of schedules). The exchange of views on this issue is contained in document JOB(07)/214.

**IV. NOTIFICATIONS MADE TO THE COUNCIL PURSUANT TO GATS
ARTICLES III:3, V:7, AND VII:4**

5. At its meetings held on 16 November 2007 and 16 June 2008, the Council for Trade in Services took note of the following notifications.

(a) Notifications pursuant to Article III:3 of the GATS

Republic of Albania

S/C/N/401 to 411, 413 to 418, 420
to 438 and 448 to 451

¹ Reports of the meetings are contained in documents S/C/M/90 and S/C/M/91, and should be read in conjunction with this report.

Republic of Armenia	S/C/N/439 and 447
Switzerland	S/C/N/412
The Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu	S/C/N/399-400
Senegal	S/C/N/441
Central African Republic	S/C/N/444 to 446

(b) Notifications pursuant to Article V:7 of the GATS

European Communities and their Member States	S/C/N/397
Chile and Japan	S/C/N/398
Japan and Singapore	S/C/N/206/Add.1
Japan and Thailand	S/C/N/419
Pakistan and Malaysia	S/C/N/440
Panama and Chile	S/C/N/442 + Corr.1 and S/C/N/443

(c) Notifications pursuant to Article VII:4

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V. WORK OF THE SUBSIDIARY BODIES

6. The activities of the subsidiary bodies are reflected in their respective reports, which are annexed to this report, as follows:

Annex I	Report of the Committee on Trade in Financial Services (S/FIN/20)
Annex II	Report of the Committee on Specific Commitments (S/CSC/14)
Annex III	Report of the Working Party on Domestic Regulation (S/WPDR/11)
Annex IV	Report of the Working Party on GATS Rules (S/WPGR/18)

WORLD TRADE ORGANIZATION

S/FIN/20
3 December 2008

(08-5918)

ANNUAL REPORT OF THE COMMITTEE ON TRADE IN FINANCIAL SERVICES TO THE COUNCIL FOR TRADE IN SERVICES (2008)

1. Since its last Annual Report to the Council for Trade in Services (S/FIN/18), the Committee on Trade in Financial Services has held two formal meetings, on 12 November 2007, and 3 June 2008.¹ In this period, the Committee addressed the following matters: the acceptance of the Fifth Protocol to the General Agreement on Trade in Services; technical issues; recent developments in financial services trade; and the transitional review of the implementation by China of its WTO commitments, pursuant to section 18 of the Protocol on the Accession of the People's Republic of China.

I. ACCEPTANCE OF THE FIFTH PROTOCOL TO THE GATS

2. Three Members have not yet accepted the Protocol: Brazil, Jamaica, and the Philippines. At the Committee's request, these Members have reported periodically on the situation of their domestic acceptance procedures.

II. TECHNICAL ISSUES

3. No formal discussions took place under this agenda item during the reporting period. At the meeting on 3 June 2008, the Chairperson indicated that he had launched a process of informal discussion with a representative group of Members, whose objective was to address technical issues in support of negotiations and to help improve dialogue between regulators and trade negotiators.

III. RECENT DEVELOPMENTS IN FINANCIAL SERVICES TRADE

4. At the meeting held in November 2007, a representative of UNCTAD gave an overview of the Expert Meeting on Trade and Development Implications of Financial Services held on 20 and 21 September 2007.

IV. TRANSITIONAL REVIEW UNDER SECTION 18 OF THE PROTOCOL ON THE ACCESSION OF THE PEOPLE'S REPUBLIC OF CHINA

5. At its meeting in November 2007, the Committee carried out the sixth transitional review of the implementation by China of its WTO commitments, pursuant to section 18 of the Protocol on the Accession of the People's Republic of China. The report submitted by the Committee to the Council for Trade in Services on this matter is contained in document S/FIN/19.

¹ Reports of these meetings are contained in documents S/FIN/M/55, and S/FIN/M/56. They should be read in conjunction with this report.

WORLD TRADE ORGANIZATION

S/CSC/14
5 December 2008

(08-5974)

ANNUAL REPORT OF THE COMMITTEE ON SPECIFIC COMMITMENTS TO THE COUNCIL FOR TRADE IN SERVICES (2008)

1. Since its Annual Report of 2007 to the Council for Trade in Services, the Committee on Specific Commitments held one formal meeting on 3 June 2008. The report of this meeting is contained in document S/CSC/M/46, which should be read in conjunction with this report.

2. At the meeting of 3 June 2008, the Committee addressed three items: classification issues; scheduling issues; and relationship between new and old commitments. The Chairperson reported on the consultations regarding future work, emphasizing that many issues are yet to be discussed substantively.

I. CLASSIFICATION ISSUES

3. There was no substantive discussion under this item.

II. SCHEDULING ISSUES

4. Under this item, a delegation proposed that a workshop on scheduling of specific commitment be held by the Secretariat. It was agreed that the Chairman of the Committee would hold consultations on the programme, timing and logistics of the proposed workshop.

III. RELATIONSHIP BETWEEN OLD AND NEW COMMITMENTS

5. A delegation underlined the importance of addressing this issue and suggested that Members discuss the relationship between old and new commitments, either formally or informally. It was agreed that the Committee would revert to this item at its next meeting.

WORLD TRADE ORGANIZATION

S/WPDR/11
28 November 2008

(08-5851)

ANNUAL REPORT OF THE WORKING PARTY ON DOMESTIC REGULATION TO THE COUNCIL FOR TRADE IN SERVICES (2008)

1. Since the Annual Report of 2007¹, the Working Party on Domestic Regulation (WPDR) held one formal meeting and several informal meetings².
 2. In the period covered by this report, the Working Party advanced its work on the development of a draft text of regulatory disciplines pursuant to GATS Article VI:4, as mandated by the Hong Kong Ministerial Declaration. To facilitate this task and based on Members' proposals and subsequent inputs, the Chairman of the Working Party prepared a revised draft text of possible regulatory disciplines, which was contained in a room document dated 23 January 2008.
 3. At the meeting of 16 June 2008, the Chairman provided an account of the work that had taken place, in informal consultations, during the first half of the year, on the basis of the revised draft text of possible regulatory disciplines.
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¹ S/WPDR/10, 13 November 2007.

² The report of the meeting is contained in document S/WPDR/M/38, and should be read in conjunction with this report.

WORLD TRADE ORGANIZATION

S/WPGR/18
5 December 2008

(08-5968)

ANNUAL REPORT OF THE WORKING PARTY ON GATS RULES TO THE COUNCIL FOR TRADE IN SERVICES (2008)

1. Since its Annual Report for 2007, the Working Party on GATS Rules has held two formal meetings: on 29 November 2007 and 3 June 2008.¹ The three negotiating mandates entrusted to the Working Party were put on the agenda of each meeting: emergency safeguard measures (Article X), government procurement (Article XIII), and subsidies (Article XV). Two informal meetings were also held on 27 November 2007 and 30 January 2008 to discuss the possible input from the Working Party, to consultations conducted by the Chairman of the Council for Trade in Services in Special Session, on the elements required for the completion of the services negotiations.

I. NEGOTIATIONS ON EMERGENCY SAFEGUARD MEASURES (ARTICLE X)

2. At the meeting of 29 November 2007, delegations exchanged views on a communication from the delegations of Brunei Darussalam, Cambodia, Indonesia, Malaysia, Myanmar, the Philippines, Thailand and Viet Nam proposing a draft Annex on Article X Emergency Safeguard Measures (JOB (07)/ 155). Discussions were principally held in informal mode and continued on 3 June 2008.

II. NEGOTIATIONS ON GOVERNMENT PROCUREMENT (ARTICLE XIII)

3. At the meetings of 29 November 2007 and 3 June 2008, delegations continued to exchange views on the proposal from the European Communities, concerning a legal text for an Annex to the GATS on government procurement (S/WPGR/W/54). Discussions were principally held in informal mode.

III. NEGOTIATIONS ON SUBSIDIES (ARTICLE XV)

4. At the meeting of 29 November 2007, a representative from UNCTAD informed the Working Party of research undertaken on subsidies in services. Members expressed various views on the issues raised. At that meeting, as well as that of 3 June 2008, discussions continued in informal mode on the communication from Hong Kong, China and Mexico on non-actionable subsidies (JOB(07)/27).

¹ Reports of these meetings are contained in documents S/WPGR/M/60 and S/WPGR/M/61. They should be read in conjunction with this report.